

# STATE OF WEST VIRGINIA



## **RETIREE HEALTH BENEFIT TRUST FUND**

### **Financial Plan**

**Fiscal Years 2021-2025**

*Report Date: January 2021*

***YOUR ACTUARIES FOR THE LONG-TERM!***



415 Main Street  
Reisterstown, MD 21136-1905  
410-833-4220  
410-833-4229 (fax)  
[www.continuingcareactuaries.com](http://www.continuingcareactuaries.com)

Finance Board  
West Virginia Retiree Health Benefit Trust Fund  
601 57th St., SE, Suite 2  
Charleston, West Virginia 25304-2345

Ladies and Gentlemen:

I, Dave Bond, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and the Managing Partner in the firm of Continuing Care Actuaries.

During the 2006 Regular Session of the West Virginia Legislature, House Bill 4654 was enacted creating the West Virginia Retiree Health Benefit Trust Fund (“Trust Fund” or “RHBT”) for the purpose of providing for and administering retiree post-employment health care benefits, and the respective revenues and costs of those benefits as a cost sharing multiple employer plan. The Public Employees Insurance Agency (“PEIA”), on behalf of the Public Employees Insurance Agency Finance Board (“Board”), is responsible for the day-to-day operation of the Trust Fund, including all administrative functions.

Statutory provisions governing the Trust Fund require the actuary retained by the PEIA to provide technical advice regarding the operation of the Trust Fund. Using the actuarial assumptions most recently adopted by the Board, the actuary is required to develop actuarial valuations of normal cost, actuarial liability, actuarial value of assets, and related actuarial present values for the West Virginia plan for other post-employment benefits including health insurance. Consequently, the Board has requested Continuing Care Actuaries to prepare a report separating the actuarial projections for the Trust Fund from the PEIA forecast report. The West Virginia Retiree Health Benefit Trust Fund has assumed the financial liabilities of the retiree programs previously under the PEIA effective July 1, 2006.

The provisions of the Code of West Virginia (“Code”), 1931, as amended, charge the Board with the responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all estimated program and administrative costs of the RHBT, including incurred but unreported claims, for the fiscal year for which the plan is proposed. Continuing Care Actuaries has been retained by the RHBT to review the proposed financial plan, and as supported by our work, to render an actuarial opinion stating whether the plan may be reasonably expected to generate sufficient revenues to meet estimated insurance program and administrative costs of the plan through FY 2025. Our analysis is developed on an accrued and incurred reporting basis for a projection period of five years as required by the Code.

The Code provisions also require the Board to establish and maintain a reserve fund for PEIA for the purposes of offsetting unanticipated claim losses in any fiscal year. Beginning with the Fiscal Year 2002 plan and for each succeeding fiscal year plan, the Board shall transfer ten percent of the projected total plan costs for that year into the reserve fund, which is to be certified by the actuary and included in the final, approved financial plan submitted to the Governor and Legislature in accordance with the provisions of the Code. On March 9, 2019, the provisions had effectively ended.

Continuing Care Actuaries has provided financial report for fiscal year ending June 30, 2021 (“FY 2021”), June 30, 2022 (“FY 2022”), June 30, 2023 (“FY 2023”), June 30, 2024 (“FY 2024”) and June 30, 2025 (“FY 2025”). Our opinion of plan adequacy is based on the projections through FY 2025 using updated future revenue and plan modifications provided by the Board in the plan adopted in December 2020.

Effective July 1, 2012, RHBT has contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drug coverage with limited copayments. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

Current Medicare coverages are transferred from a self-insured secondary basis by RHBT to the Humana MAPD plan. However, it should be noted that new Medicare eligible retirees, who become Medicare eligible during the calendar year, will be covered on a secondary basis by the PPB Plan until the beginning of the next calendar year.

The Medicaid / RHBT Hospital Bill (“Bill”) has been extended and is anticipated to continue to provide RHBT with hospital charge savings through discounts for all retiree non-Medicare coverages. These hospital savings are assumed to increase by the medical trend assumptions in Fiscal Year 2021 and subsequently. We are assuming that the Bill will continue throughout the five year forecast period.

In reviewing the plan, Continuing Care Actuaries utilized information concerning the plan’s prior experience, covered individuals, plan revenues, plan benefits, plan administrative costs, and other expenses. This information was developed and provided by RHBT, the plan’s third party administrators and other sources. In our review, we completely relied on the accuracy of this information and did not perform any due diligence on the information. The enclosed forecasts include anticipated changes from the federal statute Patient Protection and Affordable Care Act (“PPACA”) signed into law on March 23, 2010. Additional details of the benefit enhancements and costs can be found later in this report. In addition, it is noteworthy that some current RHBT members have become eligible for the West Virginia Children Health Insurance Plan effective in Fiscal Year 2016.

In FY 2021 the Pay-Go is equivalent to \$261 per retiree per month. In future years, the Pay Go premium may increase by a maximum of 3% per retiree per year, indexed to the initial fixed subsidy determined in FY 2013. The new Pay-Go premium formula is based on the financial plan approved by the Financial Board in December 2020.

Under Senate Bill 419 amended West Virginia code section 11-21-96, effective February 26, 2016, notwithstanding any other provision of this code to the contrary, beginning in January of 2006, \$45 million from collections of the tax imposed by this article shall be deposited each calendar year to the credit of the Workers' Compensation fund created in article two-c, chapter twenty-three of this Enr. SB 419 code.

The transfers required by the section 11-21-96 ceased on February 1, 2016. Beginning Fiscal Year 2017, an annual amount of \$30 million from annual collections of the tax imposed by this article was dedicated for payment of the unfunded liability of the West Virginia Retiree Health Benefit Trust Fund. The \$30 million transferred pursuant to this subsection shall be transferred into the West Virginia Retiree Health Benefit Trust Fund by transferring \$5 million each month for the following months of each year: October, November, December, January, February and March, until the Governor certifies to the Legislature that an independent actuarial study has determined that the unfunded liability of West Virginia Retiree Health Benefit Trust Fund, as created in section two, article sixteen-d, chapter five of this code, has been provided for in its entirety or July 1, 2037, whichever date is later. RHBT started receiving the aforementioned \$30 million transfers in 2017. All employers would receive benefit of these contributions.

Based on our review, and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2021 through FY 2025 may be reasonably expected to generate sufficient revenues, when combined with the existing surplus, to meet estimated insurance program and administrative costs of the Trust Fund.

This conclusion is based on significant revenue increases in employer, employee, and retiree premiums in later fiscal years of the plan through FY 2025 as approved by the Board in December 2020.

The preparation of any estimate of future health costs requires consideration of a broad array of complex social and economic events. Changes in reimbursement methodology, the emergence of new and expensive medical procedures and prescription drugs options, and the continuing evolution and changes of the framework of MAPD plan and other managed care options impacting Non-Medicare retirees, as are contemplated in the Board's proposed plan, increase the level of uncertainty of such estimates. As such, the estimate costs of insurance program contain considerable uncertainty and variability and actual experience may not conform to the assumptions utilized in this report.

Respectfully,



Dave Bond, F.S.A., F.C.A., M.A.A.A.  
Managing Partner



Chris Borcik, F.S.A., F.C.A., M.A.A.A.  
Principal

# **West Virginia Retiree Health Benefit Trust Fund**

## **Report of Independent Actuary**

### **Financial Plan for FY 2021 – FY 2025**

#### **OVERVIEW**

This report analyzes revenues and expenses related to funding the health insurance benefits of retired employees of the State of West Virginia and various local agencies, together with their dependents. This report is intended for the sole use of the Board, and any other use requires written approval by Continuing Care Actuaries.

This report was compiled utilizing claims data collected by RHBT's third party administrators through November 2020 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from RHBT. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at Board meetings, which has been used in arriving at our conclusions.

The Code of West Virginia establishes the actuarial reporting requirements for the Trust Fund on an incurred basis for medical claims, prescription drug claims and capitations, and on an accrued basis for administrative expenses and revenue for a period of five years. The Fund represents state and local agency retirees and their survivors. The Trust Fund is allocated its share of administrative costs from PEIA.

## **KEY ASSUMPTIONS**

### **A. Enrollment Changes**

The Board has requested that the projection assume retiree enrollment growth consistent with the experience of the plan. These projections assume that the Trust Fund will annually have 1,000 additional policies. We have observed a net increase of 383 policies from June 2020 to December 2020. Continuing Care Actuaries has updated the claims analysis based on the enrollment through December 2020.

In aggregate, December 2020 enrollment has increased by 383 coverages since the end of FY 2020. Aggregate Preferred Provider Benefit (“PPB”) enrollment has increased by 386 in total over the same period, while managed care enrollment continues to cover fewer participants, with a decrease of 3 coverages. For MAPD Capitations, the average of 51,751 Medicare policyholders in FY 2021 was used to calculate the capitation cost.

The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2019, June 2020, and December 2020 for purposes of comparison:

Trust Fund	Coverage	Preferred Provider Benefit*			Managed Care		
		Jun-19	Jun-20	Dec-20	Jun-19	Jun-20	Dec-20
Retirees	Medicare Single	21,319	21,594	21,871	-	-	-
	<u>Medicare Family</u>	<u>15,830</u>	<u>16,058</u>	<u>16,244</u>	-	-	-
	Medicare Total	37,149	37,652	38,115	-	-	-
	Non-Medicare Single	2,583	2,396	2,394	130	111	119
	<u>Non-Medicare Family</u>	<u>3,225</u>	<u>2,994</u>	<u>2,919</u>	<u>133</u>	<u>117</u>	<u>106</u>
	Non-Medicare Total	5,808	5,390	5,313	263	228	225
	Retiree Total	42,957	43,042	43,428	263	228	225
Grand Total				43,220	43,270	43,653	

\* The majority of PPB is capitated through Humana. As of November 2020, there are approximately 2,103 Medicare retiree coverages under PEIA.

### **B. Changes in Claim Backlog**

Detail of the medical claim backlog is presented in the PEIA report titled “PEIA Financial Plan FY2021-2025 Report”.

### C. Trend Analysis

RHBT experienced a lower medical trend and a higher prescription drugs trend in FY 2020, but over the past few years, trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2020 Detailed Medical and Prescription Drugs Claim Trend Report”. This report includes the detailed trend analysis of PEIA experience by medical and prescription drugs. Based on the analysis, the FY 2021 medical claim trend is 5.0%, the gross prescription drugs claim trend is 13.0% and the prescription drugs rebate trend is 20.0%.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2021 Trend	Updated Assumption FY 2021 Trend
Non-Medicare – Medical	8.5%	5.0%
Medicare – Medical	8.5%	5.0%
Non-Medicare – Gross Drugs	12.5%	13.0%
Medicare – Gross Drugs	12.5%	13.0%
Prescription Drugs Rebate	20.0%	20.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the drugs claim trends for the financial projection will increase by 0.5% in FY 2022 and in each successive fiscal year. Medical trends are assumed to increase 1.0% in FY 2022 and 2023, and then 0.5% thereafter. Additionally, drug rebates have been trending at approximately 30% over the last two years. As a result, CCA has separated net drugs in the financial plan into gross drugs and drug rebate amounts. Drug rebates trends are set at 20% in the financial plan. At the Board’s request, the baseline trend assumptions have been established to reflect the most likely or expected trends.

The following chart summarizes the trend results observed for the plan using data through November 2020. It is important to note that these trends have not been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies nor changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.

**Aggregate Trust Fund Historical Trends (Retirees)**

<b><u>Fiscal Year</u></b>	<b><u>Medical Medicare</u></b>	<b><u>Medical Non-Medicare</u></b>	<b><u>Drugs Medicare</u></b>	<b><u>Drugs Non-Medicare</u></b>	<b><u>Total</u></b>
2004	9%	2%	3%	-2%	6%
2005	6%	-2%	16%	1%	8%
2006	6%	5%	11%	17%	8%
2007	6%	1%	6%	6%	5%
2008	N/A	6%	N/A	-1%	N/A
2009	N/A	-2%	N/A	5%	N/A
2010	N/A	3%	N/A	7%	N/A
2011	N/A	12%	N/A	16%	N/A
2012	-5%	-6%	2%	8%	-2%
2013	23%	-3%	-3%	-7%	-2%
2014	N/A	7%	N/A	6%	N/A
2015	N/A	6%	N/A	5%	N/A
2016	-10%	2%	11%	9%	3%
2017	11%	0%	10%	31%	9%
2018	12%	8%	41%	14%	12%
2019	43%	2%	-1%	20%	8%
2020	20%	-8%	2%	12%	-1%
2021*	15%	-6%	14%	8%	0%

\* Fiscal Year 2021 results are through the first five months ending November 2020. It should be noted that Humana’s plan year starts in January 2014 in calendar year basis (not starting in July as in PEIA plan year basis) and the Medicare trends are not statistically credible in 2014 and 2015.

Effective July 1, 2007, PEIA contracted with Coventry Advantra Freedom to provide Medicare Advantage/Prescription Drug Plan (“Coventry MA and PDP”) Benefits to Medicare-eligible retired employees and dependents. Under this arrangement, Coventry Advantra Freedom had assumed the financial risk of providing comprehensive medical and prescription drug coverage with limited copayments. This arrangement expired on June 30, 2010. As a result, Fiscal Year 2008 through 2011 Medicare trends are not statistically credible. RHBT left the Coventry MA and PDP program as of June 30, 2012, and RHBT assigned Medicare eligible retirees to the Humana MAPD program starting July 1, 2012.



## D. Enrollment, Claim, Expense and Revenue Assumptions

Using aggregate PEIA and Trust Fund paid claim data through November 2020 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the Trust Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 2021 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2021 Projection			Revenue		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
Retiree	Medicare Humana and Express Scripts	38,223			\$ 64**	\$ 187**	\$ 231
	<u>Non-Medicare</u>	5,353			\$ 761	\$ 315	
	Total	43,576	\$ -	\$ 153			
	<u>Non-Medicare Managed Care</u>	226	\$ -	\$ 603			\$ 1,451
	Total	43,802					

\*Net of rebates and subsidies.

\*\* As of November 2020, there are approximately 2,103 Medicare coverages that were not capitated through Humana.

Projected plan revenues and administrative expenses were provided by RHBT. The following chart summarizes the financial plan adopted by the Board in December 2020.

### Board Decisions – December 2020

Source	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
<b>Additional Non-Medicare Retiree Premium (Fiscal Year)</b>	\$0	\$0	\$1,312,020	\$1,326,182	\$1,338,812
<b>Additional Medicare Retiree Premium (Calendar Year)</b>	\$0	\$0	\$4,883,184	\$5,224,388	\$5,588,274
<b>General Revenue Transfer (OPEB Funding)</b>	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000
<b>General Revenue Transfer (Premium Offset)</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Retiree Non-Medicare</b>	\$0	\$0	\$0	\$0	\$0
<b>Board Decision Benefit Reduction – Retiree Medicare</b>	\$0	\$0	\$0	\$0	\$0
<b>Benefit Reductions / (Increase) - Humana MAPD (Calendar Year)</b>	\$0	\$0	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$137,239,152	\$100,000,000	\$110,000,000	\$120,000,000	\$130,000,000
<b>Actuarial Accrued Liability*</b>	\$2,869,054,849	\$2,919,313,562	\$2,964,931,211	\$3,006,409,797	\$3,043,674,523
<b>Funded Status</b>	42.7%	47.4%	51.1%	55.0%	59.1%

\*Projected Result

Future fiscal year State revenue increases will require legislative appropriation. Additional retiree premiums represent premiums paid by retirees either directly or through sick and annual leave conversion credits. RHBT will receive \$30,000,000 in general revenue transfers.

Additionally, RHBT management has assumed that the Retiree Premium Assistance Program will grow as a direct result from the required retiree premium increases in the financial plan. The program's cost is currently projected to grow from \$1,746,036 in FY 2021 to \$2,375,463 in FY 2025, based on the Board's direction and projected retiree enrollment growth in the financial plan.

In FY 2021, the ACA PCORI fee is approximately \$2.66 per person per year.

There is a one-time added cost in FY 2021 for the delayed benefits and pent up demand due to COVID19. \$8,500,000 has been allocated between PEIA State medical and Local medical claims, and \$920,000 has been allocated between RHBT Non-Medicare medical and Medicare medical claims in FY 2021.

## **E. Provider Reimbursement Changes**

Effective July 1, 2012, RHBT has contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drug coverage with limited copayments. RHBT has had favorable renewals resulting in reduced MAPD capitations. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

It should be noted that RHBT left the Coventry MA and PDP program as of June 30, 2012, and RHBT assigned Medicare eligible retirees to the Humana MAPD program starting July 1, 2012.

### **FISCAL YEAR 2021 FORECAST**

The financial forecast for FY 2021 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2021 projects accrued revenue of \$344,227,910 and incurred plan expenses of \$215,962,711 to produce a fiscal year surplus of \$128,265,199 after the Premium Stabilization Reserve addition of \$30,000,000. The PEIA local and state agencies Pay Go premiums for FY 2021 are assumed to be \$137,239,152.

### **FISCAL YEAR 2022 FORECAST**

The financial forecast for FY 2022 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2022 projects accrued revenue of \$352,671,873 and incurred plan expenses of \$218,247,089 to produce a fiscal year surplus of \$134,424,783 after the Premium Stabilization Reserve drawdown of \$3,339,919. The PEIA local and state agencies Pay Go premiums for FY 2022 are assumed to be \$100,000,000.

### **FISCAL YEAR 2023 FORECAST**

The financial forecast for FY 2023 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2023 projects accrued revenue of \$379,815,932 and incurred plan expenses of \$235,482,037 to produce a fiscal year surplus of \$144,333,895 after the Premium Stabilization Reserve drawdown of \$5,436,350. The PEIA local and state agencies Pay Go premiums for FY 2023 are assumed to be \$110,000,000.

### **FISCAL YEAR 2024 FORECAST**

The financial forecast for FY 2024 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2024 projects accrued revenue of \$410,062,877 and incurred plan expenses of \$255,225,367 to produce a fiscal year surplus of \$154,837,511 after the Premium Stabilization Reserve drawdown of \$8,320,934. The PEIA local and state agencies Pay Go premiums for FY 2024 are assumed to be \$120,000,000.

## **FISCAL YEAR 2025 FORECAST**

The financial forecast for FY 2025 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2025 projects accrued revenue of \$443,683,927 and incurred plan expenses of \$277,761,881 to produce a fiscal year surplus of \$165,922,046 after the Premium Stabilization Reserve drawdown of \$13,604,122. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$130,000,000.

## **LITIGATION**

The forecasts presented in the attached tables do not contemplate any additional revenues or expenses to be generated from litigation activities.

## **SUMMARY**

It should be noted that the aggregate PEIA and Trust Fund reserves will meet or exceed the 10% of program expense requirement under the Baseline Scenario assumptions. With projected changes to the plan as adopted in the Board, we are forecasting that the plan will meet the minimum 10% reserve target set by West Virginia Statute through the projection period ending with the Fiscal Year 2025. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2020 and are contingent on legislative approval. These forecasts are based on assumptions including the estimated cost and savings of plan changes, expected trend levels and exposure levels. The continued enrollment changes of the managed care options, changes in physician, ambulatory and hospital provider reimbursement; possible changes in methodology of managed care premium calculation; and changes in the prescription drugs program, can be expected to further exacerbate the difficulty of projecting future medical and drugs claim levels and lags. These projections do not incorporate any anticipated effects of national or state health care reform, such as Medicare and Medicaid reform. As such, actual results deviating from those amounts projected in these pages should not be unexpected. With the legislatively mandated requirement of a five-year projection, it should be assumed that constant modifications would be required.

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

	7/1/2020 to 12/31/2020	1/1/2021 to 6/30/2021	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 68,619,576	\$ 68,619,576	\$ 137,239,152
Retiree Premiums - PPB	39,936,319	40,160,303	80,096,622
Retiree Premiums - MCO	807,253	827,471	1,634,724
Annual Required Contributions	-	-	-
Non Par Premiums	1,106,858	1,106,858	2,213,715
Life Insurance	13,633,718	13,633,718	27,267,435
Investment Income	47,888,131	47,888,131	95,776,262
Transfer from Premium Stabilization Reserve	(15,164,849)	(14,835,151)	(30,000,000)
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	\$ 171,827,005	\$ 172,400,905	\$ 344,227,910
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 23,686,876	\$ 25,193,292	\$ 48,880,167
Gross Non-Medicare Prescription Drug Claims	16,710,199	18,431,743	35,141,942
Non-Medicare Prescription Drug Rebates	(7,077,382)	(7,806,520)	(14,883,902)
Medicare Medical Claims	772,828	231,274	1,004,102
Gross Medicare Prescription Drug Claims	4,043,396	1,257,017	5,300,413
Medicare Prescription Drug Rebates	(1,712,527)	(532,393)	(2,244,920)
Non-Medicare Managed Care Capitations	1,967,585	1,967,585	3,935,170
Humana MAPD Program	56,656,233	49,088,379	105,744,612
Administration	2,176,727	2,176,727	4,353,453
Life Insurance	13,385,028	13,385,028	26,770,056
Wellness	-	-	-
Retiree Assistance Program	873,018	873,018	1,746,036
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,602	7,602	15,203
Director's Discretionary Fund	100,189	100,189	200,377
<b>Total Expenses</b>	\$ 111,589,770	\$ 104,372,941	\$ 215,962,711
<b>Fiscal Year Results</b>	\$ 60,237,235	\$ 68,027,964	\$ 128,265,199
Beginning Restricted Reserve			\$ 1,186,534,840
Ending Restricted Reserve			\$ 1,314,800,039
Beginning Premium Stabilization Reserve			\$ 38,106,504
PSR Addition/(Drawdown)			\$ 30,000,000
Ending Premium Stabilization Reserve			\$ 68,106,504
<b>Total Beginning Plan Reserve</b>			1,224,641,344
<b>Total Ending Plan Reserve</b>			\$ 1,382,906,543
Accrued Actuarial Liability (AAL)			\$ 2,869,054,849
Funded Status			42.7%

**KEY ASSUMPTIONS**

		Claim and Other Expense Trends		
		Eligibility	Medical	Gross Drugs
Pay Go Monthly Premium for Actives	\$ 151.02			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 261.10	Non-Medicare	5.0%	13.0%
		Medicare	5.0%	13.0%
		Prescription Drug Rebates		20.0%
		Capitations		-15.9%
		Administrative Expense		-2.6%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-3.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

**PERIOD 7/1/2020 - 6/30/2021**

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 63,505,675		\$ 63,505,675
Employer Premiums - PPB	7,702,162	-	7,702,162
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	46,176,273	-	46,176,273
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,418,687		1,418,687
Life Insurance	17,474,683		17,474,683
Investment Income	53,546,808		53,546,808
Transfer from Premium Stabilization Reserve	(26,759,437)		(26,759,437)
General Revenue Transfer (OPEB Funding)	17,891,029		17,891,029
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 180,955,881</b>	<b>\$ -</b>	<b>\$ 180,955,881</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,004,102	\$ -	\$ 1,004,102
Gross Medicare Prescription Drug Claims	5,300,413	-	5,300,413
Medicare Prescription Drug Rebates	(2,244,920)		(2,244,920)
Humana MAPD Program	105,744,612		105,744,612
Administration	1,606,978		1,606,978
Life Insurance	17,155,931		17,155,931
Wellness	-		-
Retiree Assistance Program	1,118,969		1,118,969
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	2,619		2,619
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 129,688,705</b>	<b>\$ -</b>	<b>\$ 129,688,705</b>
<b>Fiscal Year Results</b>	<b>\$ 51,267,177</b>		<b>\$ 51,267,177</b>
Beginning Restricted Reserve	\$ 664,144,788		\$ 664,144,788
Ending Restricted Reserve	\$ 715,411,965		\$ 715,411,965
Beginning Premium Stabilization Reserve	\$ 20,530,453		\$ 20,530,453
PSR Addition/(Drawdown)	\$ 26,759,437		\$ 26,759,437
Ending Premium Stabilization Reserve	\$ 47,289,890		\$ 47,289,890
<b>Total Beginning Plan Reserve</b>	<b>684,675,241</b>		<b>684,675,241</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 762,701,854</b>		<b>\$ 762,701,854</b>
Accrued Actuarial Liability (AAL)	\$ 2,869,054,849		\$ 2,869,054,849
Funded Status	45.5%		45.5%

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 151.02			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 138.46	Medicare	5.0%	13.0%
		Prescription Drug Rebates		20.0%
		Capitations		-15.9%
		Administrative Expense		-2.6%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-3.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2021**

PERIOD 7/1/2020 - 6/30/2021

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 73,733,477		\$ 73,733,477
Employer Premiums - PPB	8,969,748	-	8,969,748
Employer Premiums - MCO	835,721	-	835,721
Retiree Premiums - PPB	17,248,439	-	17,248,439
Retiree Premiums - MCO	799,004	-	799,004
Annual Required Contributions	-		-
Non Par Premiums	795,028		795,028
Life Insurance	9,792,752		9,792,752
Investment Income	42,229,454		42,229,454
Transfer from Premium Stabilization Reserve	(3,240,563)		(3,240,563)
General Revenue Transfer (OPEB Funding)	12,108,971		12,108,971
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 163,272,029</b>	<b>\$ -</b>	<b>\$ 163,272,029</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 48,880,168		\$ 48,880,168
Gross Non-Medicare Prescription Drug Claims	35,141,942		35,141,942
Non-Medicare Prescription Drug Rebates	(14,883,902)		(14,883,902)
Non-Medicare Managed Care Capitations	3,935,170		3,935,170
Administration	2,746,475		2,746,475
Life Insurance	9,614,125		9,614,125
Wellness	-		-
Retiree Assistance Program	627,067		627,067
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,584		12,584
Director's Discretionary Fund	200,376		200,376
<b>Total Expenses</b>	<b>\$ 86,274,006</b>	<b>\$ -</b>	<b>\$ 86,274,006</b>
<b>Fiscal Year Results</b>	<b>\$ 76,998,023</b>		<b>\$ 76,998,023</b>
Beginning Restricted Reserve	\$ 522,390,052		\$ 522,390,052
Ending Restricted Reserve	\$ 599,388,075		\$ 599,388,075
Beginning Premium Stabilization Reserve	\$ 17,576,051		\$ 17,576,051
PSR Addition/(Drawdown)	\$ 3,240,563		\$ 3,240,563
Ending Premium Stabilization Reserve	\$ 20,816,614		\$ 20,816,614
<b>Total Beginning Plan Reserve</b>	<b>539,966,103</b>		<b>539,966,103</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 620,204,689</b>		<b>\$ 620,204,689</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 151.02			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 1,101.37	Non-Medicare	5.0%	13.0%
		Prescription Drug Rebates		20.0%
		Capitations		-15.9%
		Administrative Expense		-2.6%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-3.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

	7/1/2021 to 12/31/2021	1/1/2022 to 6/30/2022	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 50,000,000	\$ 50,000,000	\$ 100,000,000
Retiree Premiums - PPB	41,120,617	41,306,372	82,426,990
Retiree Premiums - MCO	851,035	851,035	1,702,069
Annual Required Contributions	-	-	-
Non Par Premiums	1,073,652	1,073,652	2,147,304
Life Insurance	14,315,404	14,315,404	28,630,807
Investment Income	52,212,392	52,212,392	104,424,783
Transfer from Premium Stabilization Reserve	1,685,990	1,653,929	3,339,919
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 176,259,089</b>	<b>\$ 176,412,783</b>	<b>\$ 352,671,873</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 24,725,492	\$ 26,422,713	\$ 51,148,205
Gross Non-Medicare Prescription Drug Claims	19,095,979	21,109,796	40,205,774
Non-Medicare Prescription Drug Rebates	(8,577,787)	(9,461,502)	(18,039,289)
Medicare Medical Claims	773,880	232,731	1,006,611
Gross Medicare Prescription Drug Claims	4,438,495	1,383,011	5,821,505
Medicare Prescription Drug Rebates	(1,993,381)	(619,705)	(2,613,086)
Non-Medicare Managed Care Capitations	2,124,992	2,124,992	4,249,983
Humana MAPD Program	48,305,405	53,267,153	101,572,557
Administration	2,242,029	2,242,029	4,484,057
Life Insurance	14,054,280	14,054,280	28,108,559
Wellness	100,000	100,000	200,000
Retiree Assistance Program	942,860	942,860	1,885,719
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	7,853	7,853	15,705
Director's Discretionary Fund	100,395	100,395	200,789
<b>Total Expenses</b>	<b>\$ 106,340,487</b>	<b>\$ 111,906,602</b>	<b>\$ 218,247,089</b>
<b>Fiscal Year Results</b>	<b>\$ 69,918,602</b>	<b>\$ 64,506,181</b>	<b>\$ 134,424,783</b>
Beginning Restricted Reserve			\$ 1,314,800,039
Ending Restricted Reserve			\$ 1,449,224,822
Beginning Premium Stabilization Reserve			\$ 68,106,504
PSR Addition/(Drawdown)			\$ (3,339,919)
Ending Premium Stabilization Reserve			\$ 64,766,585
Total Beginning Plan Reserve			1,382,906,543
Total Ending Plan Reserve			\$ 1,513,991,407
Accrued Actuarial Liability (AAL)			\$ 2,919,313,562
Funded Status			47.4%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 109.79	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,658,958	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 186.44	Non-Medicare	6.0%	13.5%
		Medicare	6.0%	13.5%
		Prescription Drug Rebates		20.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		-27.1%



**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 56,477,314		\$ 56,477,314
Employer Premiums - PPB	9,563,423	286,730	9,850,153
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	45,768,400	1,372,228	47,140,628
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,376,127		1,376,127
Life Insurance	18,348,417		18,348,417
Investment Income	57,592,450		57,592,450
Transfer from Premium Stabilization Reserve	2,636,294		2,636,294
General Revenue Transfer (OPEB Funding)	16,543,483		16,543,483
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 208,305,908</b>	<b>\$ 1,658,958</b>	<b>\$ 209,964,866</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,006,611	\$ -	\$ 1,006,611
Gross Medicare Prescription Drug Claims	5,821,505	-	5,821,505
Medicare Prescription Drug Rebates	(2,613,086)		(2,613,086)
Humana MAPD Program	101,572,557		101,572,557
Administration	1,655,188		1,655,188
Life Insurance	18,013,728		18,013,728
Wellness	-		-
Retiree Assistance Program	1,208,487		1,208,487
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	3,647		3,647
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 126,668,637</b>	<b>\$ -</b>	<b>\$ 126,668,637</b>
<b>Fiscal Year Results</b>	<b>\$ 81,637,271</b>		<b>\$ 83,296,230</b>
Beginning Restricted Reserve	\$ 715,411,965		\$ 715,411,965
Ending Restricted Reserve	\$ 797,049,236		\$ 798,708,194
Beginning Premium Stabilization Reserve	\$ 47,289,890		\$ 47,289,890
PSR Addition/(Drawdown)	\$ (2,636,294)		\$ (2,636,294)
Ending Premium Stabilization Reserve	\$ 44,653,596		\$ 44,653,596
<b>Total Beginning Plan Reserve</b>	<b>762,701,854</b>		<b>762,701,854</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 841,702,832</b>		<b>\$ 843,361,790</b>
Accrued Actuarial Liability (AAL)	\$ 2,919,313,562		\$ 2,919,313,562
Funded Status	49.1%		49.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 109.79	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,658,958	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 119.56	Medicare	6.0%	13.5%
		Prescription Drug Rebates		20.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		-27.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2022**

PERIOD 7/1/2021 - 6/30/2022

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 43,522,686		\$ 43,522,686
Employer Premiums - PPB	9,777,971	-	9,777,971
Employer Premiums - MCO	1,001,336	-	1,001,336
Retiree Premiums - PPB	15,658,237	-	15,658,237
Retiree Premiums - MCO	700,733	-	700,733
Annual Required Contributions	-		-
Non Par Premiums	771,177		771,177
Life Insurance	10,282,390		10,282,390
Investment Income	46,832,333		46,832,333
Transfer from Premium Stabilization Reserve	703,626		703,626
General Revenue Transfer (OPEB Funding)	13,456,517		13,456,517
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 142,707,006</b>	<b>\$ -</b>	<b>\$ 142,707,006</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 51,148,205	\$ -	\$ 51,148,205
Gross Non-Medicare Prescription Drug Claims	40,205,774	-	40,205,774
Non-Medicare Prescription Drug Rebates	(18,039,289)		(18,039,289)
Non-Medicare Managed Care Capitations	4,249,983		4,249,983
Administration	2,828,869		2,828,869
Life Insurance	10,094,831		10,094,831
Wellness	200,000		200,000
Retiree Assistance Program	677,232		677,232
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	12,059		12,059
Director's Discretionary Fund	200,789		200,789
<b>Total Expenses</b>	<b>\$ 91,578,453</b>	<b>\$ -</b>	<b>\$ 91,578,453</b>
<b>Fiscal Year Results</b>	<b>\$ 51,128,553</b>		<b>\$ 51,128,553</b>
Beginning Restricted Reserve	\$ 599,388,075		\$ 599,388,075
Ending Restricted Reserve	\$ 650,516,628		\$ 650,516,628
Beginning Premium Stabilization Reserve	\$ 20,816,614		\$ 20,816,614
PSR Addition/(Drawdown)	\$ (703,626)		\$ (703,626)
Ending Premium Stabilization Reserve	\$ 20,112,989		\$ 20,112,989
<b>Total Beginning Plan Reserve</b>	<b>620,204,689</b>		<b>620,204,689</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 670,629,617</b>		<b>\$ 670,629,617</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

		<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go Monthly Premium for Actives	\$ 109.79			
Additional Retiree Premiums	\$ -			
Pay Go PEPM Subsidy for Retirees	\$ 680.25	Non-Medicare	6.0%	13.5%
		Prescription Drug Rebates		20.0%
		Capitations		7.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		-27.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

PERIOD 7/1/2022 - 6/30/2023

	7/1/2022 to 12/31/2022	1/1/2023 to 6/30/2023	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 55,000,000	\$ 55,000,000	\$ 110,000,000
Retiree Premiums - PPB	42,216,735	43,873,653	86,090,388
Retiree Premiums - MCO	905,034	905,034	1,810,068
Annual Required Contributions	-	-	-
Non Par Premiums	1,041,442	1,041,442	2,082,884
Life Insurance	15,031,174	15,031,174	30,062,347
Investment Income	57,166,948	57,166,948	114,333,895
Transfer from Premium Stabilization Reserve	2,739,251	2,697,098	5,436,350
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	\$ 189,100,583	\$ 190,715,348	\$ 379,815,932
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 26,543,557	\$ 28,498,869	\$ 55,042,426
Gross Non-Medicare Prescription Drug Claims	21,918,829	24,283,571	46,202,400
Non-Medicare Prescription Drug Rebates	(10,396,278)	(11,467,340)	(21,863,619)
Medicare Medical Claims	798,190	241,215	1,039,404
Gross Medicare Prescription Drug Claims	4,893,728	1,528,341	6,422,069
Medicare Prescription Drug Rebates	(2,320,296)	(721,337)	(3,041,632)
Non-Medicare Managed Care Capitations	2,294,991	2,294,991	4,589,982
Humana MAPD Program	52,417,525	58,071,756	110,489,281
Administration	2,309,289	2,309,289	4,618,578
Life Insurance	14,756,994	14,756,994	29,513,987
Wellness	107,000	107,000	214,000
Retiree Assistance Program	1,018,288	1,018,288	2,036,576
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,207	8,207	16,415
Director's Discretionary Fund	101,085	101,085	202,169
<b>Total Expenses</b>	\$ 114,451,108	\$ 121,030,928	\$ 235,482,037
<b>Fiscal Year Results</b>	\$ 74,649,475	\$ 69,684,420	\$ 144,333,895
Beginning Restricted Reserve			\$ 1,449,224,822
Ending Restricted Reserve			\$ 1,593,558,717
Beginning Premium Stabilization Reserve			\$ 64,766,585
PSR Addition/(Drawdown)			\$ (5,436,350)
Ending Premium Stabilization Reserve			\$ 59,330,235
Total Beginning Plan Reserve			1,513,991,407
Total Ending Plan Reserve			\$ 1,652,888,952
Accrued Actuarial Liability (AAL)			\$ 2,964,931,211
Funded Status			51.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 120.77	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,538,384	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 200.59	Non-Medicare	7.0%	14.0%
		Medicare	7.0%	14.0%
		Prescription Drug Rebates		20.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		10.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

PERIOD 7/1/2022 - 6/30/2023

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 57,147,902		\$ 57,147,902
Employer Premiums - PPB	9,875,284	557,637	10,432,922
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	47,260,900	2,668,727	49,929,626
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,334,843		1,334,843
Life Insurance	19,265,838		19,265,838
Investment Income	63,689,158		63,689,158
Transfer from Premium Stabilization Reserve	4,294,758		4,294,758
General Revenue Transfer (OPEB Funding)	17,923,520		17,923,520
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 220,792,203</b>	<b>\$ 3,226,364</b>	<b>\$ 224,018,567</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,039,404	\$ -	\$ 1,039,404
Gross Medicare Prescription Drug Claims	6,422,069	-	6,422,069
Medicare Prescription Drug Rebates	(3,041,632)		(3,041,632)
Humana MAPD Program	110,489,281		110,489,281
Administration	1,704,843		1,704,843
Life Insurance	18,914,414		18,914,414
Wellness	-		-
Retiree Assistance Program	1,305,166		1,305,166
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	4,765		4,765
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 136,838,310</b>	<b>\$ -</b>	<b>\$ 136,838,310</b>
<b>Fiscal Year Results</b>	<b>\$ 83,953,894</b>		<b>\$ 87,180,258</b>
Beginning Restricted Reserve	\$ 798,708,194		\$ 798,708,194
Ending Restricted Reserve	\$ 882,662,088		\$ 885,888,452
Beginning Premium Stabilization Reserve	\$ 44,653,596		\$ 44,653,596
PSR Addition/(Drawdown)	\$ (4,294,758)		\$ (4,294,758)
Ending Premium Stabilization Reserve	\$ 40,358,838		\$ 40,358,838
<b>Total Beginning Plan Reserve</b>	<b>843,361,790</b>		<b>843,361,790</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 923,020,925</b>		<b>\$ 926,247,290</b>
Accrued Actuarial Liability (AAL)	\$ 2,964,931,211		\$ 2,964,931,211
Funded Status	52.9%		53.0%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 120.77	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 3,226,364	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 117.40	Medicare	7.0%	14.0%
		Prescription Drug Rebates		20.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		10.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2023**

PERIOD 7/1/2022 - 6/30/2023

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 52,852,098		\$ 52,852,098
Employer Premiums - PPB	9,418,874	471,204	9,890,078
Employer Premiums - MCO	1,014,138	50,735	1,064,873
Retiree Premiums - PPB	15,083,185	754,576	15,837,762
Retiree Premiums - MCO	709,691	35,504	745,196
Annual Required Contributions	-		-
Non Par Premiums	748,041		748,041
Life Insurance	10,796,509		10,796,509
Investment Income	50,644,737		50,644,737
Transfer from Premium Stabilization Reserve	1,141,592		1,141,592
General Revenue Transfer (OPEB Funding)	12,076,480		12,076,480
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 154,485,345</b>	<b>\$ 1,312,020</b>	<b>\$ 155,797,364</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 55,042,426	\$ -	\$ 55,042,426
Gross Non-Medicare Prescription Drug Claims	46,202,400	-	46,202,400
Non-Medicare Prescription Drug Rebates	(21,863,619)		(21,863,619)
Non-Medicare Managed Care Capitations	4,589,982		4,589,982
Administration	2,913,735		2,913,735
Life Insurance	10,599,573		10,599,573
Wellness	214,000		214,000
Retiree Assistance Program	731,410		731,410
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,650		11,650
Director's Discretionary Fund	202,168		202,168
<b>Total Expenses</b>	<b>\$ 98,643,725</b>	<b>\$ -</b>	<b>\$ 98,643,725</b>
<b>Fiscal Year Results</b>	<b>\$ 55,841,619</b>		<b>\$ 57,153,639</b>
Beginning Restricted Reserve	\$ 650,516,628		\$ 650,516,628
Ending Restricted Reserve	\$ 706,358,247		\$ 707,670,267
Beginning Premium Stabilization Reserve	\$ 20,112,989		\$ 20,112,989
PSR Addition/(Drawdown)	\$ (1,141,592)		\$ (1,141,592)
Ending Premium Stabilization Reserve	\$ 18,971,397		\$ 18,971,397
<b>Total Beginning Plan Reserve</b>	<b>670,629,617</b>		<b>670,629,617</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 725,329,644</b>		<b>\$ 726,641,664</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 120.77	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,312,020	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 857.87	Non-Medicare	7.0%	14.0%
		Prescription Drug Rebates		20.0%
		Capitations		7.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		10.0%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

PERIOD 7/1/2023 - 6/30/2024

	7/1/2023 to 12/31/2023	1/1/2024 to 6/30/2024	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 60,000,000	\$ 60,000,000	\$ 120,000,000
Retiree Premiums - PPB	44,802,929	46,588,439	91,391,369
Retiree Premiums - MCO	963,601	963,601	1,927,202
Annual Required Contributions	-	-	-
Non Par Premiums	1,010,199	1,010,199	2,020,398
Life Insurance	15,782,732	15,782,732	31,565,464
Investment Income	62,418,755	62,418,755	124,837,511
Transfer from Premium Stabilization Reserve	4,187,901	4,133,033	8,320,934
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	\$ 204,166,118	\$ 205,896,760	\$ 410,062,877
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 28,724,593	\$ 30,912,439	\$ 59,637,032
Gross Non-Medicare Prescription Drug Claims	25,269,666	28,057,155	53,326,820
Non-Medicare Prescription Drug Rebates	(12,600,289)	(13,898,416)	(26,498,706)
Medicare Medical Claims	829,726	251,352	1,081,078
Gross Medicare Prescription Drug Claims	5,419,388	1,696,357	7,115,745
Medicare Prescription Drug Rebates	(2,700,824)	(839,636)	(3,540,460)
Non-Medicare Managed Care Capitations	2,478,591	2,478,591	4,957,181
Humana MAPD Program	57,145,494	63,604,190	120,749,684
Administration	2,378,568	2,378,568	4,757,136
Life Insurance	15,494,843	15,494,843	30,989,686
Wellness	115,025	115,025	230,050
Retiree Assistance Program	1,099,752	1,099,752	2,199,503
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,556	8,556	17,112
Director's Discretionary Fund	101,753	101,753	203,505
<b>Total Expenses</b>	\$ 123,764,839	\$ 131,460,527	\$ 255,225,367
<b>Fiscal Year Results</b>	\$ 80,401,278	\$ 74,436,233	\$ 154,837,511
Beginning Restricted Reserve			\$ 1,593,558,717
Ending Restricted Reserve			\$ 1,748,396,228
Beginning Premium Stabilization Reserve			\$ 59,330,235
PSR Addition/(Drawdown)			\$ (8,320,934)
Ending Premium Stabilization Reserve			\$ 51,009,301
Total Beginning Plan Reserve			1,652,888,952
Total Ending Plan Reserve			\$ 1,799,405,529
Accrued Actuarial Liability (AAL)			\$ 3,006,409,797
Funded Status			55.0%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 131.75	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 6,221,485	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 214.12	Non-Medicare	7.5%	14.5%
		Medicare	7.5%	14.5%
		Prescription Drug Rebates		20.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		9.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

PERIOD 7/1/2023 - 6/30/2024

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 62,183,177		\$ 62,183,177
Employer Premiums - PPB	10,460,118	846,093	11,306,211
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	50,059,781	4,049,211	54,108,992
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,294,798		1,294,798
Life Insurance	20,229,130		20,229,130
Investment Income	69,956,548		69,956,548
Transfer from Premium Stabilization Reserve	6,579,238		6,579,238
General Revenue Transfer (OPEB Funding)	17,579,465		17,579,465
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 238,342,254</b>	<b>\$ 4,895,304</b>	<b>\$ 243,237,558</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,081,078	\$ -	\$ 1,081,078
Gross Medicare Prescription Drug Claims	7,115,745	-	7,115,745
Medicare Prescription Drug Rebates	(3,540,460)		(3,540,460)
Humana MAPD Program	120,749,684		120,749,684
Administration	1,755,989		1,755,989
Life Insurance	19,860,135		19,860,135
Wellness	-		-
Retiree Assistance Program	1,409,579		1,409,579
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	5,871		5,871
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 148,437,620</b>	<b>\$ -</b>	<b>\$ 148,437,620</b>
<b>Fiscal Year Results</b>	<b>\$ 89,904,634</b>		<b>\$ 94,799,938</b>
Beginning Restricted Reserve	\$ 885,888,452		\$ 885,888,452
Ending Restricted Reserve	\$ 975,793,086		\$ 980,688,390
Beginning Premium Stabilization Reserve	\$ 40,358,838		\$ 40,358,838
PSR Addition/(Drawdown)	\$ (6,579,238)		\$ (6,579,238)
Ending Premium Stabilization Reserve	\$ 33,779,599		\$ 33,779,599
<b>Total Beginning Plan Reserve</b>	<b>926,247,290</b>		<b>926,247,290</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 1,009,572,685</b>		<b>\$ 1,014,467,989</b>
Accrued Actuarial Liability (AAL)	\$ 3,006,409,797		\$ 3,006,409,797
Funded Status	56.9%		56.9%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 131.75	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 4,895,304	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 124.07	Medicare	7.5%	14.5%
		Prescription Drug Rebates		20.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		9.1%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2024**

PERIOD 7/1/2023 - 6/30/2024

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 57,816,823		\$ 57,816,823
Employer Premiums - PPB	9,510,948	474,589	9,985,537
Employer Premiums - MCO	1,079,897	53,886	1,133,783
Retiree Premiums - PPB	15,230,632	759,997	15,990,629
Retiree Premiums - MCO	755,710	37,709	793,419
Annual Required Contributions	-		-
Non Par Premiums	725,600		725,600
Life Insurance	11,336,335		11,336,335
Investment Income	54,880,962		54,880,962
Transfer from Premium Stabilization Reserve	1,741,695		1,741,695
General Revenue Transfer (OPEB Funding)	12,420,535		12,420,535
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 165,499,138</b>	<b>\$ 1,326,182</b>	<b>\$ 166,825,320</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 59,637,032	\$ -	\$ 59,637,032
Gross Non-Medicare Prescription Drug Claims	53,326,820	-	53,326,820
Non-Medicare Prescription Drug Rebates	(26,498,706)		(26,498,706)
Non-Medicare Managed Care Capitations	4,957,181		4,957,181
Administration	3,001,147		3,001,147
Life Insurance	11,129,551		11,129,551
Wellness	230,050		230,050
Retiree Assistance Program	789,923		789,923
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	11,241		11,241
Director's Discretionary Fund	203,504		203,504
<b>Total Expenses</b>	<b>\$ 106,787,744</b>	<b>\$ -</b>	<b>\$ 106,787,744</b>
<b>Fiscal Year Results</b>	<b>\$ 58,711,394</b>		<b>\$ 60,037,576</b>
Beginning Restricted Reserve	\$ 707,670,267		\$ 707,670,267
Ending Restricted Reserve	\$ 766,381,661		\$ 767,707,842
Beginning Premium Stabilization Reserve	\$ 18,971,397		\$ 18,971,397
PSR Addition/(Drawdown)	\$ (1,741,695)		\$ (1,741,695)
Ending Premium Stabilization Reserve	\$ 17,229,702		\$ 17,229,702
<b>Total Beginning Plan Reserve</b>	<b>726,641,664</b>		<b>726,641,664</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 783,611,362</b>		<b>\$ 784,937,544</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 131.75	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,326,182	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 975.97	Non-Medicare	7.5%	14.5%
		Prescription Drug Rebates		20.0%
		Capitations		8.0%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		9.1%



**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE AND NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

PERIOD 7/1/2024 - 6/30/2025

	7/1/2024 to 12/31/2024	1/1/2025 to 6/30/2025	TRUST Total
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 65,000,000	\$ 65,000,000	\$ 130,000,000
Retiree Premiums - PPB	47,536,543	49,459,362	96,995,905
Retiree Premiums - MCO	1,029,165	1,029,165	2,058,331
Annual Required Contributions	-	-	-
Non Par Premiums	979,893	979,893	1,959,786
Life Insurance	16,571,869	16,571,869	33,143,738
Investment Income	67,961,023	67,961,023	135,922,046
Transfer from Premium Stabilization Reserve	6,838,698	6,765,424	13,604,122
General Revenue Transfer (OPEB Funding)	15,000,000	15,000,000	30,000,000
General Revenue Transfer (Premium Offset)	-	-	-
<b>Total Revenue</b>	<b>\$ 220,917,191</b>	<b>\$ 222,766,736</b>	<b>\$ 443,683,927</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 31,229,913	\$ 33,686,537	\$ 64,916,450
Gross Non-Medicare Prescription Drug Claims	29,260,384	32,558,842	61,819,225
Non-Medicare Prescription Drug Rebates	(15,271,551)	(16,844,881)	(32,116,431)
Medicare Medical Claims	866,533	263,135	1,129,668
Gross Medicare Prescription Drug Claims	6,027,799	1,891,070	7,918,869
Medicare Prescription Drug Rebates	(3,143,759)	(977,336)	(4,121,096)
Non-Medicare Managed Care Capitations	2,676,878	2,676,878	5,353,755
Humana MAPD Program	62,589,683	69,986,210	132,575,893
Administration	2,449,925	2,449,925	4,899,850
Life Insurance	16,269,585	16,269,585	32,539,170
Wellness	124,227	124,227	248,454
Retiree Assistance Program	1,187,732	1,187,732	2,375,463
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	8,899	8,899	17,798
Director's Discretionary Fund	102,406	102,406	204,812
<b>Total Expenses</b>	<b>\$ 134,378,653</b>	<b>\$ 143,383,229</b>	<b>\$ 277,761,881</b>
<b>Fiscal Year Results</b>	<b>\$ 86,538,539</b>	<b>\$ 79,383,507</b>	<b>\$ 165,922,046</b>
Beginning Restricted Reserve			\$ 1,748,396,228
Ending Restricted Reserve			\$ 1,914,318,274
Beginning Premium Stabilization Reserve			\$ 51,009,301
PSR Addition/(Drawdown)			\$ (13,604,122)
Ending Premium Stabilization Reserve			\$ 37,405,179
Total Beginning Plan Reserve			1,799,405,529
Total Ending Plan Reserve			\$ 1,951,723,454
Accrued Actuarial Liability (AAL)			\$ 3,043,674,523
Funded Status			59.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 142.73	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 6,572,660	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 227.09	Non-Medicare	8.0%	15.0%
		Medicare	8.0%	15.0%
		Prescription Drug Rebates		20.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,000	Pay Go Monthly Premium		8.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

PERIOD 7/1/2024 - 6/30/2025

<b>Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 66,661,281		\$ 66,661,281
Employer Premiums - PPB	11,335,877	904,606	12,240,484
Employer Premiums - MCO	-	-	-
Retiree Premiums - PPB	54,250,971	4,329,242	58,580,213
Retiree Premiums - MCO	-	-	-
Annual Required Contributions	-	-	-
Non Par Premiums	1,255,954		1,255,954
Life Insurance	21,240,586		21,240,586
Investment Income	76,630,066		76,630,066
Transfer from Premium Stabilization Reserve	10,765,771		10,765,771
General Revenue Transfer (OPEB Funding)	17,679,914		17,679,914
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 259,820,421</b>	<b>\$ 5,233,848</b>	<b>\$ 265,054,269</b>
<u>Program Expenses</u>			
Medicare Medical Claims	\$ 1,129,668	\$ -	\$ 1,129,668
Gross Medicare Prescription Drug Claims	7,918,869	-	7,918,869
Medicare Prescription Drug Rebates	(4,121,096)		(4,121,096)
Humana MAPD Program	132,575,893		132,575,893
Administration	1,808,668		1,808,668
Life Insurance	20,853,142		20,853,142
Wellness	-		-
Retiree Assistance Program	1,522,346		1,522,346
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	6,963		6,963
Director's Discretionary Fund	-		-
<b>Total Expenses</b>	<b>\$ 161,694,454</b>	<b>\$ -</b>	<b>\$ 161,694,454</b>
<b>Fiscal Year Results</b>	<b>\$ 98,125,967</b>		<b>\$ 103,359,815</b>
Beginning Restricted Reserve	\$ 980,688,390		\$ 980,688,390
Ending Restricted Reserve	\$ 1,078,814,356		\$ 1,084,048,205
Beginning Premium Stabilization Reserve	\$ 33,779,599		\$ 33,779,599
PSR Addition/(Drawdown)	\$ (10,765,771)		\$ (10,765,771)
Ending Premium Stabilization Reserve	\$ 23,013,828		\$ 23,013,828
Total Beginning Plan Reserve	1,014,467,989		1,014,467,989
Total Ending Plan Reserve	\$ 1,101,828,185		\$ 1,107,062,033
Accrued Actuarial Liability (AAL)	\$ 3,043,674,523		\$ 3,043,674,523
Funded Status	61.0%		61.1%

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 142.73	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 5,233,848	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 129.29	Medicare	8.0%	15.0%
		Prescription Drug Rebates		20.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	1,200	Pay Go Monthly Premium		8.3%

**APPENDIX - BASELINE SCENARIO  
RHBT - NON-MEDICARE**

**WEST VIRGINIA RETIREE HEALTH BENEFIT TRUST  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

PERIOD 7/1/2024 - 6/30/2025

<b>Non-Medicare Retiree</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
WV PEIA Pay Go Premiums	\$ 63,338,719		\$ 63,338,719
Employer Premiums - PPB	9,584,917	477,135	10,062,052
Employer Premiums - MCO	1,153,505	57,421	1,210,927
Retiree Premiums - PPB	15,349,084	764,073	16,113,157
Retiree Premiums - MCO	807,221	40,183	847,404
Annual Required Contributions	-		-
Non Par Premiums	703,832		703,832
Life Insurance	11,903,151		11,903,151
Investment Income	59,291,980		59,291,980
Transfer from Premium Stabilization Reserve	2,838,351		2,838,351
General Revenue Transfer (OPEB Funding)	12,320,086		12,320,086
General Revenue Transfer (Premium Offset)	-		-
<b>Total Revenue</b>	<b>\$ 177,290,845</b>	<b>\$ 1,338,812</b>	<b>\$ 178,629,657</b>
<u>Program Expenses</u>			
Non-Medicare Medical Claims	\$ 64,916,450	\$ -	\$ 64,916,450
Gross Non-Medicare Prescription Drug Claims	61,819,225	-	61,819,225
Non-Medicare Prescription Drug Rebates	(32,116,431)		(32,116,431)
Non-Medicare Managed Care Capitations	5,353,755		5,353,755
Administration	3,091,181		3,091,181
Life Insurance	11,686,029		11,686,029
Wellness	248,454		248,454
Retiree Assistance Program	853,117		853,117
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	10,835		10,835
Director's Discretionary Fund	204,812		204,812
<b>Total Expenses</b>	<b>\$ 116,067,427</b>	<b>\$ -</b>	<b>\$ 116,067,427</b>
<b>Fiscal Year Results</b>	<b>\$ 61,223,418</b>		<b>\$ 62,562,231</b>
Beginning Restricted Reserve	\$ 767,707,842		\$ 767,707,842
Ending Restricted Reserve	\$ 828,931,261		\$ 830,270,073
Beginning Premium Stabilization Reserve	\$ 17,229,702		\$ 17,229,702
PSR Addition/(Drawdown)	\$ (2,838,351)		\$ (2,838,351)
Ending Premium Stabilization Reserve	\$ 14,391,351		\$ 14,391,351
<b>Total Beginning Plan Reserve</b>	<b>784,937,544</b>		<b>784,937,544</b>
<b>Total Ending Plan Reserve</b>	<b>\$ 843,322,612</b>		<b>\$ 844,661,424</b>
Accrued Actuarial Liability (AAL)	\$ -		\$ -
Funded Status	N/A		N/A

**KEY ASSUMPTIONS**

Pay Go Monthly Premium for Actives	\$ 142.73	<b>Claim and Other Expense Trends</b>		
Additional Retiree Premiums	\$ 1,338,812	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Pay Go PEPM Subsidy for Retirees	\$ 1,113.52	Non-Medicare	8.0%	15.0%
		Prescription Drug Rebates		20.0%
		Capitations		8.5%
		Administrative Expense		3.0%
Number of Net New Retirees	(200)	Pay Go Monthly Premium		8.3%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2020 to FY 2021**

**Fiscal Year 2020**

**Exposure**

	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
<b>NonMed_NonDrug</b>	14,745	14,846	14,782	14,697	14,478	14,336	14,177	14,203	14,029	13,876	13,698	13,474
<b>Med_NonDrug</b>	1,366	1,595	1,801	2,008	2,185	2,412	214	381	537	677	808	928
<b>NonMed_Drug</b>	13,665	13,757	13,698	13,619	13,417	13,285	13,139	13,164	13,002	12,860	12,694	12,486
<b>Med_Drug</b>	1,422	1,661	1,876	2,092	2,276	2,513	223	397	559	705	842	966

	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
<b>NonMed_NonDrug</b>	\$249.51	\$262.99	\$262.29	\$283.06	\$258.73	\$258.16	\$299.95	\$270.51	\$241.63	\$178.55	\$250.81	\$310.09
<b>Med_NonDrug</b>	301.00	228.20	239.09	230.89	255.55	233.20	1068.43	495.93	517.32	314.86	272.33	349.33
<b>NonMed_Drug</b>	191.87	197.18	176.85	201.93	187.11	200.29	208.70	198.49	231.58	213.96	201.34	217.98
<b>Med_Drug</b>	<u>334.93</u>	<u>358.08</u>	<u>362.70</u>	<u>383.26</u>	<u>345.81</u>	<u>372.48</u>	<u>402.21</u>	<u>424.09</u>	<u>551.95</u>	<u>474.08</u>	<u>383.89</u>	<u>566.17</u>
<b>Total</b>	\$1,077.31	\$1,046.44	\$1,040.93	\$1,099.13	\$1,047.20	\$1,064.13	\$1,979.28	\$1,389.02	\$1,542.47	\$1,181.44	\$1,108.37	\$1,443.56

**Change From Prior Year - Month to Month Analysis**

<b>NonMed_NonDrug</b>	9.5%	-22.5%	2.6%	-14.1%	0.9%	28.6%	5.9%	-10.5%	-12.5%	-44.7%	-19.5%	1.5%
<b>Med_NonDrug</b>	66.5%	23.2%	1.1%	22.7%	32.0%	0.0%	37.2%	24.8%	27.5%	-12.0%	-28.9%	61.2%
<b>NonMed_Drug</b>	22.9%	26.8%	18.4%	7.7%	13.6%	19.9%	3.1%	12.0%	18.7%	-0.9%	-2.5%	9.7%
<b>Med_Drug</b>	<u>-14.5%</u>	<u>-16.4%</u>	<u>1.2%</u>	<u>-9.5%</u>	<u>-9.8%</u>	<u>-1.8%</u>	<u>-31.6%</u>	<u>15.1%</u>	<u>32.5%</u>	<u>15.4%</u>	<u>3.7%</u>	<u>53.0%</u>
<b>Total</b>	12.6%	-5.6%	4.1%	-2.6%	4.9%	8.6%	6.8%	11.6%	19.3%	-9.6%	-12.8%	32.3%

**Change From Prior Year - Quarter to Quarter Analysis**

<b>NonMed_NonDrug</b>			-5.8%			1.7%			-5.7%			-21.3%
<b>Med_NonDrug</b>			27.5%			17.0%			31.6%			-2.2%
<b>NonMed_Drug</b>			22.7%			13.5%			11.1%			2.0%
<b>Med_Drug</b>			<u>-10.4%</u>			<u>-7.1%</u>			<u>0.4%</u>			<u>23.7%</u>
<b>Total</b>			3.2%			3.3%			11.8%			1.7%

**Change From Prior Year - Year to Year Analysis**

<b>NonMed_NonDrug</b>			-4.7%			-5.7%			-5.3%			-8.3%
<b>Med_NonDrug</b>			43.2%			39.8%			30.9%			19.9%
<b>NonMed_Drug</b>			24.8%			24.0%			18.4%			11.5%
<b>Med_Drug</b>			<u>-5.3%</u>			<u>-10.9%</u>			<u>-6.9%</u>			<u>1.5%</u>
<b>Total</b>			9.2%			6.0%			6.5%			5.5%

**Attachment - Trust Fund  
Historical Monthly Medical and Drug Trends  
FY 2020 to FY 2021**

**Fiscal Year 2021**

**Exposure**

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>
NonMed_NonDrug	13,587	13,827	13,736	13,521	13,340
Med_NonDrug	1,132	1,436	1,715	2,601	2,852
NonMed_Drug	12,593	12,817	12,733	12,535	12,368
Med_Drug	1,179	1,496	1,787	2,709	2,971

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>
NonMed_NonDrug	\$269.10	\$278.46	\$246.94	\$276.49	\$258.49
Med_NonDrug	357.03	291.03	223.24	245.89	266.78
NonMed_Drug	197.23	192.77	202.71	216.18	212.32
Med_Drug	<u>476.10</u>	<u>420.51</u>	<u>445.95</u>	<u>366.93</u>	<u>384.01</u>
<b>Total</b>	\$1,299.46	\$1,182.77	\$1,118.84	\$1,105.49	\$1,121.59

**Change From Prior Year - Month to Month Analysis**

NonMed_NonDrug	7.9%	5.9%	-5.9%	-2.3%	-0.1%
Med_NonDrug	18.6%	27.5%	-6.6%	6.5%	4.4%
NonMed_Drug	2.8%	-2.2%	14.6%	7.1%	13.5%
Med_Drug	<u>42.1%</u>	<u>17.4%</u>	<u>23.0%</u>	<u>-4.3%</u>	<u>11.0%</u>
<b>Total</b>	20.6%	13.0%	7.5%	0.6%	7.1%

**Change From Prior Year - Quarter to Quarter Analysis**

NonMed_NonDrug	2.5%
Med_NonDrug	13.4%
NonMed_Drug	4.7%
Med_Drug	<u>27.2%</u>
<b>Total</b>	13.8%

**Change From Prior Year - Year to Year Analysis**

NonMed_NonDrug	-6.5%
Med_NonDrug	17.5%
NonMed_Drug	7.6%
Med_Drug	<u>10.1%</u>
<b>Total</b>	7.8%